

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Berkshire County Retirement Board

FROM: Joseph I. Martin, Deputy Executive Director

RE: Approval of Funding Schedule

DATE: August 27, 2019

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on average on October 1 of each fiscal year. The schedule is effective in FY20 (since the amount under the prior schedule was maintained in FY20) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.25% to 7.0% and reflects a revision of the mortality assumption.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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Alternative 2
7.00% Investment Return
7.01% Total Increasing to FY27

Berkshire County Retirement System
January 1, 2019 Actuarial Valuation

Total Appropriation Increases 7.01% per year until FY27 with final amortization payment in FY28

<u>Fiscal</u> <u>Year</u>	<u>Normal</u> <u>Cost</u>	<u>Net</u> <u>3(8)(c)</u>	<u>Amort. of</u> <u>UAL</u>	<u>Amort. of</u> <u>2002 ERI</u>	<u>Amort. of</u> <u>2003 ERI</u>	<u>Total</u> <u>Cost</u>	<u>Unfunded</u> <u>Act. Liab.</u>	<u>% Increase</u> <u>Total Cost</u>
2020	4,916,433	250,000	4,933,665	64,384	35,518	10,200,000	48,908,284	
2021	5,137,672	250,000	5,427,426	64,384	35,518	10,915,000	47,035,499	7.0%
2022	5,368,867	250,000	5,961,231	64,384	35,518	11,680,000	44,512,080	7.0%
2023	5,610,466	250,000	6,638,534			12,499,000	41,250,347	7.0%
2024	5,862,937	250,000	7,262,063			13,375,000	37,152,747	7.0%
2025	6,126,770	250,000	7,936,230			14,313,000	32,112,231	7.0%
2026	6,402,474	250,000	8,663,526			15,316,000	26,009,514	7.0%
2027	6,690,586	250,000	9,449,414			16,390,000	18,714,340	7.0%
2028	6,991,662	250,000	10,252,047			17,493,709	10,081,585	6.7%
2029	7,306,287	250,000				7,556,287	0	-56.8%

Appropriation payments assumed to be made on average on October 1 of each fiscal year

Normal cost assumed to increase 4.5% per year

Assumed expenses of \$1,075,000

FY20 amount maintained at level of prior funding schedule